

April 14, 2010

ITEM NO. C1

APPROVAL OF REVISED 2010 COMPREHENSIVE BUDGET

To the Honorable Board of Commissioners

RECOMMENDATION

It is recommended that the Board of Commissioners approve and adopt the 1st Quarter Revised 2010 Comprehensive Budget.

EXPLANATION

The Chicago Housing Authority is required to submit for approval by the Board, a balanced annual Comprehensive Budget detailing each of the following: General Fund, Section 8 Non-MTW, HOPE VI and Other Funding Programs, and the use for these funds.

The FY2010 budgeted expenditures have been revised from \$1,050,623,356 to \$1,031,372,033, resulting in a \$19,251,323 decrease. The major changes by funding source are explained below:

- **General Fund.** Total revenues and associated expenditures decreased by \$115,589,065 for a fund total of \$864,098,168. The reduction reflects the reclassification of American Recovery and Reinvestment Act Funds (ARRA) to Other Funds and changes in the cash flow schedule for construction projects at Altgeld Gardens and Dearborn Homes as well as costs savings related to ADA work at various CHA sites.
- **Section 8 Non-MTW Fund.** Total revenues and associated expenditures increased by \$1,678,774 for a fund total of \$7,875,729. This is due to an increase in the average cost per voucher.
- **Hope VI.** Total revenues and associated expenditures increased by \$5,454,889 for a fund total of \$49,888,585. The change reflects an increase in planned demolition as well as planned development at various sites including: William Green Homes, ABLA and property Off-Site development.
- **Other Funding.** The total revenues and associated expenditures increased by \$89,204,079 for a fund total of \$109,509,551. This increase is primarily due to the reclassification of American Recovery and Reinvestment Act Funds (ARRA) from the General Fund and boiler replacement at Lake Parc Place and energy performance upgrades at various CHA sites.

The estimated sum of all revenues for fiscal year 2010 and the amount of the fiscal year 2010 Fund Balance available for appropriation in the fiscal year is equal to the estimated sum of all expenditures to be made or incurred during the fiscal year and the amount of all unpaid liabilities at the beginning of the fiscal year 2010.

Based upon the foregoing, it is in the best interest of the Chicago Housing Authority to adopt the Revised 2010 Comprehensive Budget.

RESOLUTION NO. 2010-CHA-47

WHEREAS, the Board of Commissioners has reviewed the Board letter dated April 10, 2010, entitled “APPROVAL OF THE REVISED 2010 COMPREHENSIVE BUDGET”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners, hereby approves the attached budget amendments, “THE FY2010 COMPREHENSIVE BUDGET AMENDMENT #1”, and finds with respect to said Budget:

1. that the proposed expenditures are necessary for the efficient and economical operation of the Chicago Housing Authority for the purpose of serving low-income families;
2. that the financial plan is reasonable in that it indicates funding sources adequate to cover all proposed expenditures, and does not provide for use of Federal funding in excess of that payable under the provisions of the applicable Federal regulations; and
3. that all proposed rental charges and expenditures will be consistent with provisions of law and the Annual Contributions Contract in accordance with the Amended and Restated Moving To Work Demonstration Agreement of the Chicago Housing Authority with the U.S. Department of Housing and Urban Development.

THAT, the Chief Executive Officer and Chief Financial Officer are authorized to execute and forward to the U.S. Department of Housing and Urban Development all necessary budget documents and supporting information when applicable.

